

CITY OF BURLINGAME

CONTINUING DISCLOSURE ANNUAL REPORT

FISCAL YEAR ENDING JUNE 30, 2020

IN CONNECTION WITH THE FOLLOWING CONTINUING DISCLOSURE OBLIGATIONS:

\$9,805,000

BURLINGAME FINANCING AUTHORITY
Storm Drainage Revenue Bonds, Series 2010

\$10,030,000

BURLINGAME FINANCING AUTHORITY
Lease Revenue Bonds, Series 2012
(Burlingame Avenue Streetscape Improvement Project)

\$32,975,000

CITY OF BURLINGAME
Taxable Pension Obligation Bonds
2006 Series A

\$8,205,000

BURLINGAME FINANCING AUTHORITY
Lease Revenue Refunding Bonds, Series 2010

\$5,935,000

BURLINGAME FINANCING AUTHORITY
Water and Wastewater Revenue Refunding Bonds
Series 2011 (Bank Qualified)

\$10,615,000

BURLINGAME FINANCING AUTHORITY
Storm Drainage Revenue Bonds, Series 2012

\$14,260,000

BURLINGAME FINANCING AUTHORITY
Water and Wastewater Revenue Refunding Bonds,
Series 2013

\$9,855,000

BURLINGAME FINANCING AUTHORITY
Storm Drainage Revenue Bonds, Series 2016

\$17,585,000

BURLINGAME FINANCING AUTHORITY
Water and Wastewater Revenue Refunding Bonds,
Series 2016

\$31,400,000

BURLINGAME FINANCING AUTHORITY
Lease Revenue Bonds, Series 2019
(Community Center Project)



CITY OF BURLINGAME
501 Primrose Road, Burlingame, CA 94010

\$32,975,000
CITY OF BURLINGAME
Taxable Pension Obligation Bonds, 2006 Series A

Maturity (June 1)	CUSIP
2021	12145RAL5
2036	12145RAM3

\$8,205,000
BURLINGAME FINANCING AUTHORITY
Lease Revenue Refunding Bonds, Series 2010

Maturity (June 1)	CUSIP
2021	121459DC2

\$9,805,000
BURLINGAME FINANCING AUTHORITY
Storm Drainage Revenue Bonds, Series 2010

Maturity (July 1)	CUSIP
2021	12145LAL8
2025	12145LAM6
2030	12145LAN4
2038	12145LAP9

\$5,935,000
BURLINGAME FINANCING AUTHORITY
Water and Wastewater Revenue Refunding Bonds, Series 2011
(Bank Qualified)

Maturity (April 1)	CUSIP
2021	12145NDF4
2022	12145NDG2
2023	12145NDH0
2024	12145NDJ6
2025	12145NDK3
2026	12145NDL1
2027	12145NDM9
2028	12145NDN7

\$10,030,000
BURLINGAME FINANCING AUTHORITY
Lease Revenue Bonds, Series 2012
(Burlingame Avenue Streetscape Improvement Project)

Maturity (June 1)	CUSIP
2021	121459DM0
2022	121459DN8
2023	121459DP3
2024	121459DQ1
2025	121459DR9
2026	121459DS7
2027	121459DT5
2028	121459DU2
2029	121459DV0
2030	121459DW8
2031	121459DX6
2032	121459DY4
2037	121459DZ1
2042	121459EA5

\$10,615,000
BURLINGAME FINANCING AUTHORITY
Storm Drainage Revenue Bonds, Series 2012

Maturity (July 1)	CUSIP
2021	12145LAY0
2022	12145LAZ7
2023	12145LBA1
2024	12145LBB9
2025	12145LBC7
2026	12145LBD5
2027	12145LBE3
2028	12145LBF0
2029	12145LBG8
2032	12145LBH6
2038	12145LBJ2

\$14,260,000
BURLINGAME FINANCING AUTHORITY
Water and Wastewater Revenue Refunding Bonds, Series 2013

Maturity (July 1)	CUSIP
2021	12145NDW7
2022	12145NDX5
2023	12145NDY3
2024	12145NDZ0
2025	12145NEA4
2026	12145NEB2
2027	12145NEC0
2028	12145NED8
2029	12145NEE6

\$9,855,000
BURLINGAME FINANCING AUTHORITY
Storm Drainage Revenue Bonds, Series 2016

Maturity (July 1)	CUSIP
2021	12145LBQ6
2022	12145LBR4
2023	12145LBS2
2024	12145LBT0
2025	12145LBU7
2026	12145LBV5
2027	12145LBW3
2028	12145LBX1
2029	12145LBY9
2030	12145LBZ6
2031	12145LCA0
2032	12145LCB8
2033	12145LCC6
2034	12145LCD4
2035	12145LCE2
2036	12145LCF9
2038	12145LCG7

\$17,585,000
BURLINGAME FINANCING AUTHORITY
Water and Wastewater Revenue Refunding Bonds, Series 2016

Maturity (April 1)	CUSIP
2021	12145NEK2
2022	12145NEL0
2023	12145NEM8
2024	12145NEN6
2025	12145NEP1
2026	12145NEQ9
2027	12145NER7
2028	12145NES5
2029	12145NET3
2030	12145NEU0
2031	12145NEV8

\$31,400,000
BURLINGAME FINANCING AUTHORITY
Lease Revenue Bonds, Series 2019
(Community Center Project)

Maturity (July 1)	CUSIP
2021	121459EC1
2022	121459ED9
2023	121459EE7
2024	121459EF4
2025	121459EG2
2026	121459EH0
2027	121459EJ6
2028	121459EK3
2029	121459EL1
2030	121459EM9
2031	121459EN7
2032	121459EP2
2033	121459EQ0
2034	121459ER8
2035	121459ES6
2036	121459ET4
2037	121459EU1
2038	121459EV9
2039	121459EW7
2040	121459EX5
2041	121459EY3
2042	121459EZ0
2043	121459FA4
2044	121459FB2
2045	121459FC0
2046	121459FD8
2047	121459FE6
2048	121459FF3
2049	121459FG1

CONTINUING DISCLOSURE ANNUAL REPORT FOR FISCAL YEAR ENDING JUNE 30, 2020

This Continuing Disclosure Annual Report has been prepared to satisfy the obligations of the City of Burlingame, California (the “City”), as provided under those certain continuing disclosure undertakings executed by the City in connection with each of the issuances listed on the cover page hereof (each, a “Disclosure Certificate”).

This Continuing Disclosure Annual Report includes the City’s continuing disclosure undertakings for the following bonds: Part I: Lease Revenue Bonds and Pension Obligation Bonds; Part II: Water and Wastewater Revenue Bonds; and Part III: Storm Drainage Revenue Bonds.

IMPACT OF CORONAVIRUS PANDEMIC ON CITY REVENUES

The COVID-19 pandemic began to make headlines just as the City’s mid-year financial report was being prepared, substantially altering the 2019-20 fiscal year revenue budget. General Fund revenues were adjusted downward by \$9.9 million (12.5 percent), to reflect the impacts of the public health crisis on the travel industry and global economic growth as a whole. The City Council approved these budget changes at the same time that the fiscal year 2020-21 budget was being formulated, projecting a further 11.2 percent decline in governmental revenues.

The financial standing of the City remains relatively strong despite the difficult economic circumstances resulting from the COVID-19 pandemic. The City’s total revenues decreased \$9.5 million over the prior year, and total expenses increased \$4.1 million – \$3.7 million in governmental activities (5.8 percent) and \$0.4 million in the City’s business-type activities (1.4 percent - largely comprised of the City’s Water and Wastewater utilities operations).

The City’s General Fund revenues were approximately \$1.5 million (2.2 percent) higher than projected in the FY 2019-20 adjusted budget. But the City’s 12 hotels suffered greatly from the COVID-19 outbreak and the restrictions on both international and domestic travel and tourism that followed, and Burlingame’s Transient Occupancy Tax (TOT) revenues fell significantly. Although a \$367,000 positive variance was experienced for the fiscal year, TOT revenues fell from the prior year results of \$29.4 million to a sobering \$20.4 million. Sales tax revenues also came in higher than the \$14.2 million adjusted budget, by approximately \$573,000. These revenues were \$3.0 million less than reported for the prior fiscal year. Property tax revenues continued to reflect solid property values: at \$23.3 million, these revenues were up \$1.3 million from the prior year, an approximate 6.1 percent increase. In all, actual General Fund revenues came in approximately 4.3 percent higher than the adjusted budget, but \$12.4 million (14.6 percent) lower than experienced in the prior fiscal year.

Departmental expenditure budgets were not significantly altered due to the pandemic. Budgetary savings of \$4.5 million in FY 2019-20 served to limit the draw on General Fund reserves to \$5.9 million. Although reductions in governmental capital budgets were made for the 2020-21 fiscal year to avoid larger draws on governmental fund reserves, enterprise fund capital/infrastructure spending was largely maintained.

PANDEMIC RELIEF MEASURES

Following declared state of emergency at all levels of government in March 2020, the State of California and several counties in the San Francisco Bay Area, including San Mateo County, issued directives for all people to stay at home except to meet essential needs or to work to provide essential services (“stay-at-home directives”). Given the significant needs and quick response necessary during the emergency, the City took several actions to provide immediate economic relief to local businesses and residents. Such actions included the funding of small business loans to Burlingame businesses, procurement of emergency supplies, distribution of stored value debit cards to low income households, and assistance to non-profit organizations to provide rental assistance and alleviate food insecurity. Early in the current fiscal year, the City received a distribution of approximately \$372,000 from the State’s Coronavirus Relief Fund (CRF), funded by the federal CARES Act in responding to the public health emergency presented by the virus. President Joe Biden has provided an outline for his administration’s first major legislative effort – The American Rescue Plan – which will include \$350 billion for state and local governments; it is not possible to estimate at this time whether the City will qualify to avail itself of any additional resources from the plan.

In recent months, the “stay-at-home-directives” have been eased and then re-instated, in response to case rates and hospitalizations that had ebbed but then risen at an alarming pace. On January 25, 2021, the State resumed its tiered system of COVID-19 restrictions, allowing certain non-essential businesses to operate at reduced capacities. The COVID-19 pandemic is ongoing, and its dynamic nature leads to many uncertainties. Although it is anticipated that hotel taxes will continue to be depressed for the remainder of the fiscal year, property values and resulting tax remittances remain very strong, and sales tax revenues are holding up well. Due to robust reserve policies, the City continues to deliver a high level of services to its residents and businesses, and is making headway on its long-term infrastructure priorities and obligations.

PART I - LEASE REVENUE AND PENSION OBLIGATION BONDS

The following information is being provided as required by the Disclosure Certificates relating to the Lease Revenue and Pension Obligation Bonds:

1. The audited financial statements of the City for the fiscal year ending June 30, 2020 are included herein as Appendix A.

2. The following is an update to information contained in (i) the Official Statement, dated September 19, 2006, relating to the Taxable Pension Obligation Bonds, 2006 Series A, (ii) the Official Statement, dated September 15, 2010, relating to the Lease Revenue Refunding Bonds, Series 2010, (iii) the Official Statement, dated November 8, 2012, relating to the Lease Revenue Bonds, Series 2012 (Burlingame Avenue Streetscape Improvement Project), and (iv) Official Statement, dated December 5, 2019, relating to the Lease Revenue Bonds, Series 2019 (Community Center Project):

I.A. General Fund Comparison of Budgeted and Actual Revenue, Expenditures, and Fund Balances

The following information is being provided in connection with the Disclosure Certificates for the following bond issues: Taxable Pension Obligation Bonds, 2006 Series A.

The General Fund Comparison of Budgeted and Actual Revenue, Expenditures, and Fund Balances for the fiscal year ended June 30, 2020 can be found on page 126 of the City's audited financial statements attached hereto as Appendix A.

I.B. General Fund Revenue, Expenditures and Fund Balances

The following information is being provided in connection with the Disclosure Certificates for the following bond issues: Taxable Pension Obligation Bonds, 2006 Series A, Lease Revenue Refunding Bonds, Series 2010, Lease Revenue Bonds, Series 2012, and Lease Revenue Bonds, Series 2019.

A summary of the General Fund Revenue, Expenditures and Fund Balance for the fiscal year ended June 30, 2020 can be found on page 36 of the City's audited financial statements attached hereto as Appendix A.

I.C. General Fund Balance Sheet

The following information is being provided in connection with the Disclosure Certificates for the following bond issues: Taxable Pension Obligation Bonds, 2006 Series A, Lease Revenue Refunding Bonds, Series 2010, Lease Revenue Bonds, Series 2012, and Lease Revenue Bonds, Series 2019.

A summary of the General Fund Balance Sheet for the fiscal year ended June 30, 2020 can be found on page 34 of the City's audited financial statements attached hereto as Appendix A.

I.D. Tax Revenues by Source

The following information is being provided in connection with the Disclosure Certificates for the following bond issues: Taxable Pension Obligation Bonds, 2006 Series A, Lease Revenue Refunding Bonds, Series 2010, Lease Revenue Bonds, Series 2012, and Lease Revenue Bonds, Series 2019.

A summary of the Tax Revenue by Source for the fiscal year ended June 30, 2020 can be found on page 36 of the City's audited financial statements attached hereto as Appendix A.

I.E. Taxable Transactions by Type of Business

The following information is being provided in connection with the Disclosure Certificates for the following bond issues: Taxable Pension Obligation Bonds, 2006 Series A, Lease Revenue Refunding Bonds, Series 2010, Lease Revenue Bonds, Series 2012, and Lease Revenue Bonds, Series 2019

A history of taxable sales in the City for the calendar years 2018 and 2019 is shown below:

CITY OF BURLINGAME
Taxable Transactions by Type of Business
For Calendar Years 2018 and 2019
(Amounts in Thousands)

<u>Type of Business</u>	<u>2018</u>	<u>2019</u>
Apparel Stores	\$ 45,537	\$ 35,124
General Merchandise	136	123
Food Stores	19,116	19,598
Eating and Drinking Places	155,925	166,298
Building Materials	49,964	60,760
Auto Dealers and Supplies	459,663	440,311
Service Stations	65,061	74,681
Other Retail Stores	138,699	146,296
Retail Stores Total	<u>934,101</u>	<u>943,192</u>
All Other Outlets	<u>520,244</u>	<u>580,486</u>
TOTAL ALL OUTLETS	<u>\$1,454,345</u>	<u>\$1,523,678</u>

I.F. Assessed Valuations

The following information is being provided in connection with the Disclosure Certificates for the following bond issues: Taxable Pension Obligation Bonds, 2006 Series A, Lease Revenue Refunding Bonds, Series 2010, Lease Revenue Bonds, Series 2012, and Lease Revenue Bonds, Series 2019.

The following table sets forth assessed valuations for fiscal years 2019-20 and 2020-21.

**CITY OF BURLINGAME
Assessed Valuations**

	<u>Local Secured</u>	<u>Utility</u>	<u>Unsecured</u>	<u>Total</u>	<u>% Change</u>
2019-20	\$11,422,244,929	\$3,841,026	\$360,169,404	\$11,786,255,359	7.45%
2020-21	\$12,750,425,547	\$3,841,026	\$351,494,932	\$13,105,761,505	11.20%

Source: San Mateo County.

I.G. Largest Taxpayers

The following information is being provided in connection with the Disclosure Certificates for the following bond issues: Taxable Pension Obligation Bonds, 2006 Series A, Lease Revenue Refunding Bonds, Series 2010, Lease Revenue Bonds, Series 2012, and Lease Revenue Bonds, Series 2019.

The following table sets forth the largest taxpayers located within the City in terms of their assessed value for Fiscal Year 2020-21.

**CITY OF BURLINGAME
LARGEST TAXPAYERS (SECURED ROLL)
FISCAL YEAR ENDING 2021**

	<u>Property Owner</u>	<u>Primary Land Use</u>	2020-21 <u>Assessed Valuation</u>	% of <u>Total (1)</u>
1.	Burlingame Point LLC	Office Building	\$705,474,139	5.53%
2.	HMC Burlingame Hotels LLC	Hotel	229,664,025	1.80
3.	Shac Caroland Apartments LLC	Apartments	147,992,430	1.16
4.	EQR-Northpark LP	Apartments	130,477,109	1.02
5.	Inland Amer Lodging Burlingame LLC	Hotel	119,559,322	0.94
6.	EW PG Airport Owner LLC	Office Building	103,989,000	0.82
7.	DCT Rollins Road LLC	Industrial	78,420,198	0.62
8.	IP Woodstock One Bay LLC	Office Building	75,300,000	0.59
9.	PUR Skyline MMC II LLC	Apartments	49,988,433	0.39
10.	Green Banker LLC	Office Building	43,988,795	0.34
11.	Romel Chicago LLC	Apartments	43,919,683	0.34
12.	AGLO 1720 El Camino Owner LLC	Office Building	39,984,000	0.31
13.	DLC 225 California	Office Building	37,457,918	0.29
14.	Sunrise BG Sr Lv Propco LLC	Assisted Living Facility	34,957,440	0.27
15.	GRM Bayshore Property Owner LLC	Hotel	34,526,401	0.27
16.	Bit Holdings Seventy Three Inc.	Industrial	33,555,381	0.26
17.	BW RRI II LLC	Hotel	33,319,835	0.26
18.	Harbor View Hotels Inc.	Hotel	32,455,709	0.25
19.	Safeway Inc. Lessee	Supermarket	31,748,350	0.25
20.	1440 Chapin Owner LLC	Office Building	<u>31,732,200</u>	<u>0.25</u>
			<u>\$2,038,510,368</u>	<u>15.99%</u>

(1) 2020-21 Local Secured Assessed Valuation: \$12,750,425,547

Source: California Municipal Statistics, Inc.

I.H. Secured Tax Charges and Delinquencies

The following information is being provided in connection with the Disclosure Certificates for the following bond issues: Taxable Pension Obligation Bonds, 2006 Series A, Lease Revenue Refunding Bonds, Series 2010, and Lease Revenue Bonds, Series 2012.

The County of San Mateo has not provided to the City the total tax levies and year-end delinquencies for fiscal year 2019-20. The County utilizes the Teeter Plan. Information relating to the amount of property tax levies and collection allocable to the general fund for the fiscal year ended June 30, 2020 can be found on page 165 of the City's audited financial statements attached hereto as Appendix A.

I.I. Transient Occupancy Taxes

The following information is being provided in connection with the Disclosure Certificates for the following bond issues: Taxable Pension Obligation Bonds, 2006 Series A, Lease Revenue Refunding Bonds, Series 2010, Lease Revenue Bonds, Series 2012, and Lease Revenue Bonds, Series 2019.

Because of the City's location near San Francisco International Airport, transient occupancy taxes have historically provided one of the largest single revenue sources for the City's General Fund. Sometimes referred to as a hotel tax, this tax is imposed on occupants for the privilege of occupying rooms in hotels, motels, inns and other taxed properties equal to 12% of the amount of rent charged by the operator of such establishment. In fiscal years 2018, 2019 and 2020, the transient occupancy taxes totaled \$27,935,991, \$29,384,461, and \$20,416,543, respectively. For 2020, the City received \$20,416,543 in transient occupancy taxes (approximately 28.29% of General Fund revenues.) The following table lists as of June 30, 2020, the major hotels located within the City and their room totals:

CITY OF BURLINGAME
Major Hotel Room Totals
June 30, 2020

<u>Hotel</u>	<u>Number of Rooms</u>
Hyatt Regency SFO	789
SFO Marriott Waterfront	688
Hilton SFO Bayfront	400
Doubletree by Hilton Hotel SFO	395
Embassy Suites by Hilton SFO Waterfront	340
Crown Plaza SFO	309
Red Roof PLUS+ SFO	213
Holiday Inn Express SFO South	146
Hilton Garden Inn – SFO/Burlingame	132
Bay Landing SFO Hotel	130
Vagabond Inn Executive SFO	90
Hampton Inn & Suites SFO South	77
Total	3,709

Source: City of Burlingame.

I.J. Market Value of Investments

The following information is being provided in connection with the Disclosure Certificates for the following bond issues: Taxable Pension Obligation Bonds, 2006 Series A, Lease Revenue Refunding Bonds, Series 2010, Lease Revenue Bonds, Series 2012, and Lease Revenue Bonds, Series 2019.

The market value of the City's investment portfolio as of June 30, 2020 is set forth below. Additional information relating to the City's investment can be found under Note 3 of the City's audited financial statements attached hereto as Appendix A.

**CITY OF BURLINGAME
Market Value of Investments
June 30, 2020**

	<u>Market Value</u>	<u>Percent of Portfolio</u>	<u>Days to Maturity</u>
Local Agency Investment Fund & County Pool	\$ 47,780,884	22.90%	Less than 1 Year
California Asset Management Program	36,548,943	17.52	Less than 1 Year
Certificates of Deposit	10,811,114	5.18	1-5 Years
U.S. Treasury Notes/Bonds	38,846,977	18.62	2-5 Years
Supra-National Agency Bonds/Notes	4,532,124	2.17	1-2 Years
Municipal Bonds	1,242,446	0.60	2-5 Years
Federal Agencies	35,390,050	16.96	1-5 Years
Asset-Backed Security	8,913,964	4.27	1-5 Years
Corporate Notes	<u>24,541,469</u>	<u>11.76</u>	1-5 Years
Total Market Value	\$208,607,971		

Source: The City of Burlingame.

I.K. Outstanding Indebtedness

The following information is being provided in connection with the Disclosure Certificates for the following bond issues: Taxable Pension Obligation Bonds, 2006 Series A, Lease Revenue Refunding Bonds, Series 2010, Lease Revenue Bonds, Series 2012, and Lease Revenue Bonds, Series 2019.

A summary of the Outstanding Indebtedness of the City for the fiscal year ended June 30, 2020 can be found under Note 6 of the City's audited financial statements attached hereto as Appendix A.

PART II - WATER AND WASTEWATER REVENUE BONDS

The following information is being provided as required by the Disclosure Certificates relating to the Water and Wastewater Revenue Bonds:

1. The audited financial statements of the City for the Fiscal Year ending June 30, 2020 are included herein as Appendix A.

2. The following is an update to information contained in (i) the Official Statement, dated November 22, 2011, relating to the Water and Wastewater Revenue Refunding Bonds, Series 2011, (ii) the Official Statement, dated May 16, 2013, relating to the Water and Wastewater Revenue Refunding Bonds, Series 2013, and (iii) the Official Statement, dated June 14, 2016, relating to the Water and Wastewater Revenue Refunding Bonds, Series 2016:

II.A. Outstanding Indebtedness

The following information is being provided in connection with the Disclosure Certificates for the following bond issues: Water and Wastewater Revenue Refunding Bonds, Series 2011, Water and Wastewater Revenue Refunding Bonds, Series 2013, and Water and Wastewater Revenue Refunding Bonds, Series 2016.

A summary of the Outstanding Indebtedness of the City for the fiscal year ended June 30, 2020 can be found under Note 6 of the City's audited financial statements attached hereto as Appendix A.

II.B. Number of Connections by User

The following information is being provided in connection with the Disclosure Certificates for the following bond issues: Water and Wastewater Revenue Refunding Bonds, Series 2011, Water and Wastewater Revenue Refunding Bonds, Series 2013, and Water and Wastewater Revenue Refunding Bonds, Series 2016.

The following table shows the number of connections by user category for the previous 5 years.

CITY OF BURLINGAME
Number of Connections by User
(As of June 30)

Use Category	2016	2017	2018	2019	2020
Single Family Residential	6,840	6,835	6,844	6,842	6,850
Multi-Family Residential	740	740	738	738	741
Commercial/Industrial	855	852	850	850	849
Institutional	81	82	82	84	83
Irrigation/Other	678	680	684	686	707
Total	9,194	9,189	9,198	9,200	9,230

Source: City of Burlingame.

II.C. Historical Water Consumption

The following information is being provided in connection with the Disclosure Certificates for the following bond issues: Water and Wastewater Revenue Refunding Bonds, Series 2011, Water and Wastewater Revenue Refunding Bonds, Series 2013, and Water and Wastewater Revenue Refunding Bonds, Series 2016.

The following table represents a five fiscal year history of water consumption by user category.

**CITY OF BURLINGAME
WATER SYSTEM
Historical Water Consumption
(In Millions of Gallons)**

<u>Use Category</u>	<u>2015/16</u>	<u>2016/17</u>	<u>2017/18</u>	<u>2018/19</u>	<u>2019/20</u>	<u>2019/20 Pct. of Total</u>
Single Family Residential	425.0	462.9	523.9	507.5	545.7	45.75%
Multi-Family Residential	216.5	224.9	228.0	226.8	229.5	19.24%
Commercial	162.1	167.3	180.9	190.2	166.3	13.94%
Industrial	159.3	156.1	170.4	169.1	144.3	12.10%
Institutional	18.3	22.0	25.5	21.9	20.5	1.72%
Irrigation/Other	71.0	60.5	85.0	82.7	86.5	7.25%
Total Annual Consumption	1,052.2	1,093.7	1,213.7	1198.2	1,192.8	100.00%
Average Per Day	2.88	3.00	3.3	3.3	3.3	
Pct. Change from Prior Year	(11.20%)	3.94%	11.0%	(1.3%)	(0.45%)	

Source: City of Burlingame.

II.D. 4 Year History of Water Rates and Approved Rates

The following information is being provided in connection with the Disclosure Certificates for the following bond issues: Water and Wastewater Revenue Refunding Bonds, Series 2011, Water and Wastewater Revenue Refunding Bonds, Series 2013, and Water and Wastewater Revenue Refunding Bonds, Series 2016.

The table below represents a history of water rates and rates as of January 1, 2021.

**CITY OF BURLINGAME
WATER SYSTEM
4 Year History of Water Rates and Rates as of January 1, 2021
(Bi-Monthly Rates)**

	2017 (1/1/17 – 12/31/17)	2018 (1/1/18 – 12/31/18)	2019 (1/1/19 – 12/31/19)	2020 (1/1/20 – 12/31/20)	Current
Bi-Monthly Meter Charge					
5/8" & 3/4"	\$ 72.72	\$ 78.17	\$ 84.03	\$ 84.03	\$ 84.03
1"	121.20	130.28	140.05	140.05	140.05
1 1/2"	242.40	260.57	280.10	280.10	280.10
2"	387.84	416.91	448.16	448.16	448.16
3"	727.20	781.70	840.30	840.30	840.30
4"	1,212.00	1,302.83	1,400.50	1,400.50	1,400.50
6"	2,424.00	2,605.67	2,801.00	2,801.00	2,801.00
8"	3,878.40	4,169.07	4,481.60	4,481.60	4,481.60

Source: City of Burlingame.

II.E. Tiered Rate Charges

The following information is being provided in connection with the Disclosure Certificates for the following bond issue: Water and Wastewater Revenue Refunding Bonds, Series 2013 and Water and Wastewater Revenue Refunding Bonds, Series 2016.

The adopted consumption rates included a tiered rate structure for single-family residential customers as set forth below:

**CITY OF BURLINGAME
WATER SYSTEM
Tiered Rate Charges
(Bi-Monthly Rates)**

	2020 (1/1/20 – 12/31/20)	Current
Single Family Residential		
Tier 1 – 0 to 4,000 gallons	9.79	9.79
Tier 2 – 4,001 to 8,000 gallons	10.98	10.98
Tier 3 – 8,001 to 16,000 gallons	12.18	12.18
Tier 4 – 16,001 to 24,000 gallons	13.38	13.38
Tier 5 – 24,001 gallons and above	14.58	14.58
All other customer classifications	11.46	11.46
San Mateo County Unincorporated	Same as Single Family Residential	

Per 1,000 gallons.
Beginning from 1/1/13 for Single-Family residential and 1/1/17 for San Mateo County Unincorporated customers are billed according to a tiered rate structure.

Source: City of Burlingame.

II.F. Water Fund Statement of Net Position

The following information is being provided in connection with the Disclosure Certificates for the following bond issues: Water and Wastewater Revenue Refunding Bonds, Series 2011, Water and Wastewater Revenue Refunding Bonds, Series 2013, and Water and Wastewater Revenue Refunding Bonds, Series 2016.

The Statement of Net Position of the Water Fund for the fiscal year ended June 30, 2020 can be found on page 40 of the City's audited financial statements attached hereto as Appendix A.

II.G. Water Fund Statement of Revenues, Expenses and Changes in Fund Net Position

The following information is being provided in connection with the Disclosure Certificates for the following bond issues: Water and Wastewater Revenue Refunding Bonds, Series 2011, Water and Wastewater Revenue Refunding Bonds, Series 2013, and Water and Wastewater Revenue Refunding Bonds, Series 2016.

The Statement of Revenues, Expenses and Changes in Fund Net Position of the Water Fund for the fiscal year ended June 30, 2020 can be found on page 42 of the City's audited financial statements attached hereto as Appendix A.

II.H. Water System Debt Service Coverage

The following information is being provided in connection with the Disclosure Certificates for the following bond issues: Water and Wastewater Revenue Refunding Bonds, Series 2011, Water and Wastewater Revenue Refunding Bonds, Series 2013, and Water and Wastewater Revenue Refunding Bonds, Series 2016.

A calculation of the Water System Debt Service Coverage for the fiscal year ended June 30, 2020 can be found on page 88 of the City's audited financial statements attached hereto as Appendix A.

II.I. Wastewater System Bi-Monthly Meter Charge

The following information is being provided in connection with the Disclosure Certificates for the following bond issues: Water and Wastewater Revenue Refunding Bonds, Series 2011, Water and Wastewater Revenue Refunding Bonds, Series 2013, and Water and Wastewater Revenue Refunding Bonds, Series 2016.

The City's wastewater rates for the fiscal years 2016 through 2020 and rates as of January 1, 2021 are as set forth below:

CITY OF BURLINGAME WASTEWATER SYSTEM Bi-Monthly Meter Charge

	<u>2015/16</u>	<u>2016/17</u>	<u>2017/18</u>	<u>2018/19</u>	<u>2019/20</u>	<u>Current</u>
Single Family/Duplex ^(a)	\$ 12.25	\$ 12.25	\$ 12.25	\$ 12.25	\$ 12.25	\$ 12.25
Multi-family ^(a)	11.45	11.45	11.45	11.45	11.45	11.45
Light Commercial ^(b)	13.53	13.53	13.53	13.53	13.53	13.53
Moderate Commercial ^(b)	21.97	21.97	21.97	21.97	21.97	21.97
Food Related ^(b)	32.59	32.59	32.59	32.59	32.59	32.59
Hospital ^(b)	21.97	21.97	21.97	21.97	21.97	21.97
Institutional ^(b)	4.80	4.80	4.80	4.80	4.80	4.80
% Change	0%	0%	0%	0%	0%	0%

^(a) Per thousand gallons of average winter (January-April) water consumption over the last 3 years.

^(b) Per thousand gallons of average water consumption.

Source: City of Burlingame.

II.J. Wastewater System Sewer Connection Fees

The following information is being provided in connection with the Disclosure Certificates for the following bond issues: Water and Wastewater Revenue Refunding Bonds, Series 2011, Water and Wastewater Revenue Refunding Bonds, Series 2013, and Water and Wastewater Revenue Refunding Bonds, Series 2016.

The City's current connection fees are set forth below:

**CITY OF BURLINGAME
WASTEWATER SYSTEM
Sewer Connection Fees
(As of January 1, 2021)**

<u>Land Use</u>	<u>Connection Fees</u>
Single-Family and Duplex	\$282/unit
Multi-Family	215/unit
Commercial/Retail	449/TSF
Office	98/TSF
Warehouse	126/TSF
Restaurant	1,110/TSF
Hotel with Restaurant	708/room
Hotel without Restaurant	438/room

TSF = Thousand Square Feet
Source: City of Burlingame

II.K. Sewer Fund Statement of Net Position

The following information is being provided in connection with the Disclosure Certificates for the following bond issues: Water and Wastewater Revenue Refunding Bonds, Series 2011, Water and Wastewater Revenue Refunding Bonds, Series 2013, and Water and Wastewater Revenue Refunding Bonds, Series 2016.

The Statement of Net Position of the Sewer Fund for the fiscal year ended June 30, 2020 can be found on page 40 of the City's audited financial statements attached hereto as Appendix A.

II.L. Sewer Fund Statement of Revenues, Expenses and Changes in Fund Net Position

The following information is being provided in connection with the Disclosure Certificates for the following bond issues: Water and Wastewater Revenue Refunding Bonds, Series 2011, Water and Wastewater Revenue Refunding Bonds, Series 2013, and Water and Wastewater Revenue Refunding Bonds, Series 2016.

The Statement of Revenues, Expenses and changes in Fund Net Position of the Sewer Fund for the fiscal year ended June 30, 2020 can be found on page 42 of the City's audited financial statements attached hereto as Appendix A.

II.M. Wastewater System Debt Service Coverage

The following information is being provided in connection with the Disclosure Certificates for the following bond issues: Water and Wastewater Revenue Refunding Bonds, Series 2011, Water and Wastewater Revenue Refunding Bonds, Series 2013, and Water and Wastewater Revenue Refunding Bonds, Series 2016.

A calculation of the Wastewater System Debt Service Coverage for the fiscal year ended June 30, 2020 can be found on page 88 of the City's audited financial statements attached hereto as Appendix A.

PART III - STORM DRAINAGE REVENUE BONDS

The following information is being provided as required by the Disclosure Certificates relating to the Storm Drainage Revenue Bonds:

1. The audited financial statements of the City for the Fiscal Year ending June 30, 2020 are included herein as Appendix A.

2. The following is an update to information contained in (i) the Official Statement, dated August 3, 2010, relating to the Storm Drainage Revenue Bonds, Series 2010, (ii) the Official Statement, dated December 6, 2012, relating to the Storm Drainage Revenue Bonds, Series 2012, and (iii) the Official Statement, dated February 17, 2016, relating to the Storm Drainage Revenue Bonds, Series 2016:

III.A. Fees Paid by Largest Fee Payers

The following information is being provided in connection with the Disclosure Certificates for the following bond issues: Storm Drainage Revenue Bonds, Series 2010, Storm Drainage Revenue Bonds, Series 2012, and Storm Drainage Revenue Bonds, Series 2016.

The following table sets forth the fees paid by the largest fee payers by parcel for Fiscal Year 2019-20.

<u>Entity</u>	<u>2019-20 Storm Drain Fee</u>	<u>2019-20 Percentage of Total</u>
1. MILLS-PENINSULA HEALTH	\$ 39,346	1.3%
2. PAULS ROLLINS ROAD LLC	27,181	0.9%
3. SAN MATEO UNION HIGH SCH DIST	24,621	0.8%
4. STATE OF CALIFORNIA	21,376	0.7%
5. EQR-NORTHPARK LP	20,877	0.7%
6. CITY OF BURLINGAME	19,534	0.7%
7. SISTERS OF MERCY	19,190	0.6%
8. MERCY HIGH SCHOOL BURLINGAME	18,239	0.6%
9. HMC BURLINGAME HOTEL LLC	18,238	0.6%
10. HMH SFO INC	18,221	0.6%
11. BAY PARK PLAZA ASSOCIATES	18,049	0.6%
12. BURLINGAME POINT LLC	17,249	0.6%
13. VANGUARD REAL ESTATE HOLDINGS LLC	16,911	0.6%
14. STATE OF CALIFORNIA	14,655	0.5%
15. SEVEN SPRINGS L P	13,184	0.4%
16. PUBLIC STORAGE INC	11,594	0.4%
17. BURLINGAME POINT LLC	11,417	0.4%
18. CALIF TEACHERS ASSOCIATION	10,939	0.4%
19. CRP BAHP SFO	10,048	0.3%
20. 99 OLD BAYSHORE LLC	9,659	0.3%
21. 1633 BAYSHORE ASSOCIATES LLC	9,518	0.3%
22. GUITTARD CHOCOLATE CO	9,446	0.3%
23. ONE BAY PLAZA ASSOC LLC	9,434	0.3%
24. CITY OF BURLINGAME CITY PARK	9,155	0.3%
25. SANDRA & JEFFREY DAVIS LP	8,044	0.3%
Total Top 10 Fee Payers	\$226,823	7.7%
Total Top 25 Fee Payers	\$406,125	13.7%
Total Parcels (8,655)		

III.B. Debt Service Coverage

The following information is being provided in connection with the Disclosure Certificates for the following bond issues: Storm Drainage Revenue Bonds, Series 2010, Storm Drainage Revenue Bonds, Series 2012, and Storm Drainage Revenue Bonds, Series 2016.

The following table sets forth the debt service coverage for the Storm Drainage Revenue Bonds for the fiscal year ended June 30, 2020. Debt Service on the Bonds represents debt service paid on January 1, 2020 and July 1, 2020.

Bond Year	Storm Drain Fees ⁽¹⁾	2010 Bond Debt Service ⁽²⁾	2012 Bond Debt Service	2016 Bond Debt Service	Total Net Debt Service	Debt Service Coverage
2020	\$2,993,956	\$607,443	\$624,144	\$652,875	\$1,884,462	1.59x
2021	3,017,000	610,073	626,144	651,075	1,887,292	1.60x
2022	3,077,340	613,390	629,144	643,875	1,886,409	1.63x
2023	3,138,887	616,420	621,144	653,375	1,890,939	1.66x
2024	3,201,665	613,840	627,644	646,625	1,888,109	1.70x
2025	3,265,698	615,855	622,894	649,375	1,888,124	1.73x
2026	3,331,012	612,261	627,644	651,125	1,891,030	1.76x
2027	3,397,632	611,895	626,488	651,875	1,890,258	1.80x
2028	3,465,585	615,862	619,525	651,625	1,887,012	1.84x
2029	3,534,896	613,937	621,325	655,375	1,890,637	1.97x
2030	3,605,594	611,344	627,675	652,375	1,891,394	1.91x
2031	3,677,706	613,084	623,425	653,775	1,890,284	1.95x
2032	3,751,260	613,500	623,875	654,525	1,891,900	1.98x
2033	3,826,285	613,006	623,875	654,225	1,891,106	2.02x
2034	3,902,811	611,600	622,138	658,475	1,892,213	2.06x
2035	3,980,867	609,284	624,913	657,125	1,891,322	2.10x
2036	4,060,485	611,057	622,038	659,625	1,892,720	2.15x
2037	4,141,694	606,692	623,675	661,500	1,891,867	2.19x
2038	4,224,528	606,415	-	-	606,415	6.97x

⁽¹⁾ Based on Storm Drainage Fees collected through Fiscal Year 2019-20 and projected to increase at a rate of 2% thereafter.

⁽²⁾ Net of Refundable Credit. Refundable Credit was reduced as a result of the federal sequestration (currently 32.005%).

III.C. Assessed Valuations

The following information is being provided in connection with the Disclosure Certificates for the following bond issues: Storm Drainage Revenue Bonds, Series 2016.

The assessed valuation of the City can be found under Section I.F. Assessed Valuations as set forth herein.

III.D. Largest Taxpayers

The following information is being provided in connection with the Disclosure Certificates for the following bond issues: Storm Drainage Revenue Bonds, Series 2016.

The largest taxpayers in the City can be found under Section I.G. Largest Taxpayers as set forth herein.

Dated: January 29, 2021

CITY OF BURLINGAME

By: /s/Carol Augustine

Finance Director and Treasurer

APPENDIX A

**AUDITED FINANCIAL STATEMENTS
OF THE CITY OF BURLINGAME
FOR FISCAL YEAR ENDING JUNE 30, 2020**

(See Attachment)